

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 6361**

**BILL NUMBER:** HB 1552

**DATE PREPARED:** Jan 9, 2001

**BILL AMENDED:**

**SUBJECT:** Income tax deduction for retirement income.

**FISCAL ANALYST:** Brian Tabor

**PHONE NUMBER:** 233-9456

**FUNDS AFFECTED:**

**GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** Pending

**Summary of Legislation:** This bill provides an Adjusted Gross Income (AGI) tax deduction for pension and annuity income and IRA distributions to the extent these amounts are included in federal AGI. It provides that the maximum deduction is \$5,000 for taxable years beginning in 2001 and 2002, and \$10,000 for taxable years beginning in 2003 and thereafter.

**Effective Date:** January 1, 2001 (retroactive).

**Explanation of State Expenditures:** *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:**